

HenryFinance, Ways & Means Committee Amendment No. 1

AMENDMENT NO. _____

Signature of Sponsor

AMEND

Senate Bill No. 555*

House Bill No. 1387

Signature of Sponsor

FILED

Date _____

Time _____

Clerk _____

Comm. Amdt. _____

by deleting Sections 4, 5, 6 and 13 of the bill as amended and by substituting instead the following:

SECTION 4. Tennessee Code Annotated, Section 68-11-1607(a), is amended by deleting the language, "to rehabilitation" and substituting instead the language, "to acute, rehabilitation" in subdivision (3)(C); by deleting the language, "air ambulance," from subdivision (4); and by deleting subdivision (5) in its entirety and substituting instead the following:

(5) A change in the location of or the replacement of existing or certified facilities providing health care services and health care institutions, or a change in the location of or the replacement of medical equipment that requires a certificate of need. An additional certificate of need is not required to move mobile medical equipment that requires a certificate of need to a facility site for which a certificate of need already has been issued. A change in the location of or the replacement of a home health agency may be exempted from certificate of need requirements by agency rule. The relocation of the principal office of a home health agency or hospice within the same county shall not require a certificate of need;

SECTION 5. Tennessee Code Annotated, Section 68-11-1607, is amended by adding a new appropriately designated subsection as follows:

() Nothing in this part shall require a certificate of need in order for an existing hospital licensed by the department of mental health and developmental disabilities to become licensed by the department of health as a satellite of an affiliated general acute care hospital, as provided by Tennessee Code Annotated, Section 33-2-403(b)(8)(B).

SECTION 6. Tennessee Code Annotated, Section 68-11-1609(b), is amended by deleting the second sentence of the subsection and by substituting instead the following:

In making such determinations the agency shall use as guidelines the goals, objectives, criteria and standards in the state health plan. Until the state health plan is approved and adopted, the agency shall use as guidelines the current criteria and standards adopted by the state health planning and advisory board, and any changes implemented thereto by the planning division pursuant to Tennessee Code Annotated, Section 68-11-1625.

SECTION 13. Tennessee Code Annotated, Section 68-11-1617, is amended by deleting subsections (b), (c), (d) and (e) in their entirety, by substituting instead the following, and by redesignating the remaining subsections as appropriate:

(b) A civil penalty proceeding shall be initiated by the executive director of the agency with the filing of a petition with the agency. The proceeding will be conducted as a contested case hearing in accordance with the provisions of the Uniform Administrative Procedures Act, compiled in title 4, chapter 5, part 3.

(c) The civil penalty shall be in an amount not less than one hundred dollars (\$100) nor more than five hundred dollars (\$500) per day of continued activity or operation. Once a civil penalty has been imposed, the violator shall have the burden of submitting verifiable evidence satisfactory to the agency, that the violator has discontinued the activity for which the civil penalty was imposed. The penalty shall begin to accrue on the date the agency notified the violator of such violation(s), and shall continue to accrue until such evidence of discontinuance is received at the agency office.

(d) Any appeal of a final order imposing a civil penalty shall be conducted in accordance with the provisions of the Uniform Administrative Procedures Act, compiled in title 4, chapter 5, part 3.

AND FURTHER AMEND Section 14 of the bill as amended by adding the following language as a new appropriately designated subsection (f):

(f) A separate account is authorized to provide support for the state health planning division of the department of finance and administration. The following schedule of fees from health care providers shall be collected annually and administered by the department of finance and administration. The account shall be used for other services required to fulfill the duties of the state health planning division of the department of finance and administration. All planning staff shall be hired by and under the direction of the commissioner of the finance and administration. All planning staff shall be hired by and under the direction of the commissioner of the finance and administration. The following schedule shall apply:

- (1) Residential hospice.....\$100 per license;
- (2) Nursing homes.....\$100 per license;
- (3) Hospitals 1-100 beds.....\$100 per license;
- (4) Hospitals 101-200 beds.....\$200 per license;
- (5) Hospitals 201 + beds.....\$300 per license;
- (6) Ambulatory surgical treatment centers..... \$100 per license;
- (7) Outpatient diagnostic centers..... \$100 per license;
- (8) Home care organizations authorized to provide
home health services or hospice services.. \$100 per license;
- (9) Birthing centers.....\$50 per license;
- (10) Non-residential methadone treatment
facilities.....\$75 per license;
- (11) Mental health hospitals 1-100 beds.....\$100 per license;
- (12) Mental health hospitals 101 + beds.....\$200 per license
- (13) Mental health residential treatment facilities..\$100 per license;
- (14) Mental retardation institutional habilitation
facilities.....\$100 per license.

AND FURTHER AMEND by inserting the following language as a new Section 15 thereof and by renumbering the subsequent sections as appropriate:

SECTION 15. Tennessee Code Annotated, Section 68-11-1623, is amended by deleting the existing language in its entirety and by substituting instead the following new language:

All fees and civil penalties authorized by this part, with the exception of fees established pursuant to section 68-11-1625, shall be maintained in a separate account administered by the health services and development agency. Fees include, but are not limited to, fees for the application of certificates of need, subscriptions, project cost overruns, copying and contested cases. The account is established for the purpose of providing support for the implementation of the certificate of need program, data collection and the administration of the agency. It is the intent of the general assembly that any accumulated revenues in excess of expenditures in this account shall, at the end of each fiscal year, be carried forward for the purpose for which they were originally intended. It is also the intent of the general assembly that, for the fiscal year 2004-2005, all funds accumulated and collected as authorized by section 68-11-1625, for the state health planning and advisory board, shall transfer to the state division of health planning in the department of finance and administration for the purpose of implementation and development of the state health plan and to further the purposes and operation of the division.